Foreign CROPS AND MARKETS

FOR RELEASE MONDAY, DECEMBER 10, 1956

VOLUME 73 NUMBER 24

CONTENTS

(Continued on following page)

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

CONTENTS
(Continued from Cover Page)

Increasing U. S. Farm Exports.
(An 82-page graphic summary of the outlook for agricultural exports.)
Price 50 cents - Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

PUBLICATIONS RELATING TO U. S. FOREIGN AGRICULTURAL TRADE

Issued recently and available (single copies) free upon request to persons in the U. S. from the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D.C. Room 5922. Phone: REpublic 7-4142, Ext. 2445.

Outlook for India as a Market for Cotton by 1961. Foreign Agriculture Report No. 91

Foreign Agricultural Trade Digest. November 1956

Greek Currant Crop Up. Foreign Agriculture Circular FDF 8-56

Wool Movement from Southern Hemisphere. Foreign Agriculture Circular FW 7-56

WEST GERMAN 1956 TOBACCO CROP REVISED DOWNWARD

The West German 1956 tobacco crop is now reportedly placed at 54.3 million pounds, 2.1 million pounds below an earlier estimate and 4.6 percent below the 1955 crop of 56.9 million pounds. However, the 1956 acreage, totaling about 26,600 acres, was 1.4 percent larger than in 1955. Production of flue-cured is placed at 6.5 million pounds, or one-third lower than the 1955 harvest of 9.7 million pounds. The decline is attributed to the unseasonal weather which prevailed in Northern Germany in 1956. Production of Burley is expected to rise from 15.9 to 18.2 million pounds and continues to supplant cigar leaf acreage because of higher prices. Cigar leaf production is estimated at 1.1 million pounds below the 1955 harvest of 30.3 million pounds.

Producers reportedly have encountered difficulties in marketing the 1956 crop because the supply is larger than demand and industry stocks are reported ample. Demand for flue-cured and air-cured leaf is dropping due to the progressive decline in smoking tobacco sales. Although the overall tobacco crop is not much smaller than last year, farmer's income from tobacco is expected to drop substantially because of lower prices. Considering this year's supply and the marketing situation, next year's crop should be even smaller, according to foreign trade sources.

CUBAN TOBACCO STABILIZATION FUND GRANTED 7 MILLION DOLLAR LOAN

A group of Cuban banks has reportedly granted a loan of 7 million pesos (U. S. $7.0 million) to the Cuban Tobacco Stabilization Fund. The Stabilization Fund, which is a Government-created and controlled organization, will use the money to purchase surplus tobacco from the 1955-56 crop at fixed minimum prices in an effort to stabilize the market.

PAKISTANI CIGARETTE OUTPUT UP 8.7 PERCENT

Cigarette output in Pakistan continued upward through the first half of 1956. Production of cigarettes, totaling 2.5 billion pieces, was 8.7 percent larger than the January-June 1955 level of 2.3 billion. Output of cigars continues to decline from the 1954 record high.

EXTENDED DANISH-NETHERLANDS TRADE AGREEMENT INCLUDES TOBACCO

The Danish-Netherlands Trade Agreement was reportedly extended for 5-months from July 1 through November 30 pending forthcoming negotiations concerning a new trade agreement between Denmark and the Benelux countries. Denmark has had no trade agreement with Belgium since 1949. The trade agreement includes re-exports of tobacco from the Netherlands as one of the items available for export in exchange for Danish commodities. Danish tobacco importers purchase about 15 percent of their total requirements through Dutch firms.

ISRAELI TOBACCO IMPORTS DOWN IN FIRST HALF 1956

Israeli imports of unmanufactured tobacco in the first half of 1956 totaled .7 million pounds, .3 million below the January-June 1955 level of 1.0 million. Most of the decline occurred in reduced takings of Greek leaf. Imports from United States and Turkey were approximately the same as last year while takings of Yugoslav leaf were larger.

ISRAEL: Imports of unmanufactured tobacco during January-June 1954-56

Country of Origin	January-June 1954	January-June 1955	January-June 1956
	1,000 pounds	1,000 pounds	1,000 pounds
United States	112	187	179
Greece	132	575	174
Turkey	337	207	220
Union of South Africa	71	18	-
Yugoslavia	1/	1/	62
Other	14	5	29
Total	666	992	664

1/ If any, included in other.
Source: Statistical Bulletin of Israel-Foreign Trade, August 1956

CEYLONESE CIGARETTE OUTPUT REVERSES ITS DOWNWARD TREND

Cigarette output in Ceylon during the first 3-months of 1956, totaled 347 million pieces, reversing the downward trend evident since 1951. The monthly average production was about 8 percent larger than the January-March 1955 level of 107 million pieces but 18 percent below the 1951 annual monthly average of 141 million. Output of beedies (Far East smoking product made by wrapping leaf of tropical tree around small amount of granulated tobacco.) continues upward and was about double the January-March 1955 level of 12.2 million pieces. Probably expansion in production of beedies is likely to occur following the tariff reduction of 50 percent applicable to beedi leaves, effective October 12, 1956.

TRINIDAD'S CIGARETTE OUTPUT UP

Cigarette output in Trinidad, including Tobago, continued its upward trend through the first quarter of 1956. Production of cigarettes totaled 436,200 pounds-about 9 percent above the January-March 1955 level of 400,500 pounds. Imports of unmanufactured tobacco were about 7 percent larger than last year, reflecting the increase in cigarette output. Canada and the United States are the principal sources of leaf, supplying about 80 and 20 percent of total imports, respectively.

CANADIAN FLUE-CURED PRICES RISE

The minimum average price for the 1956 flue-cured crop, produced by members of the Ontario Flue-cured Growers Association and accounting for over 95 percent of Canadian flue-cured production, was fixed at 45 cents plus 2 cents per pound for grading and tying compared to $44\frac{1}{4}$ cents plus 2 cents per pound for the 1955 crop. The markets opened on October 30 and reports indicate that 130 million pounds were sold by November 3 at an average of 47.5 cents per pound. The total 1956 crop of flue-cured is estimated at 154 million pounds (farm sales weight). This is the second highest level on record, 36 million pounds more than the production in 1955, but 19 million less than the all-time high of 173 million pounds in 1954.

ARGENTINE PEAR CROP PROSPECTS

Preliminary trade estimates for the 1956-57 pear crop in Rio Negro and Neuquen Provinces of Argentina - the most important provinces for export - predict a total production of between 2.5 and 3.5 million boxes.

The crop is coming along well and appears to have recovered substantially from the effects of the September frosts. The Anjou variety is an exception. This variety is dropping prior to maturity and trade estimates that present losses of between 10 and 20 percent are gradually increasing.

The first official estimate of 1956-57 Argentine pear production will be released in January.

TURKISH LEMON PRODUCTION UP SHARPLY

The Turkish lemon crop is estimated to be 1.2 million boxes, which would be one-third larger than the 1955 crop of .9 million boxes. The trend in production of lemons and other citrus is expected to continue upward, as new plantings and the bearing surface of young trees are increasing. Frosts and lack of adequate irrigation will be the limiting factor in determining the extent of future expansion. Production practices, efficiency of handling and processing are improving rapidly.

Exports of lemons are estimated at about 400,000 boxes. Exports of other citrus are estimated at 100,000 boxes. Most of the lemons are expected to go to Czechoslovakia.

ITALIAN TABLE OLIVE
PACK LOWER

The 1956 production of table olives in Italy is estimated at 26,000 short tons, or 10 percent less than the estimated 1955 output of 29,000 tons. The overall production of olives, both for oil and pickling, declined even more sharply. The damage resulted from the extreme cold early in the growing season.

It is expected that Italy will again be on a net import basis for pickled olives for the 1956-57 season. In 1955-56 Italy imported 700 short tons of table olives while exporting 200, and in the 1954-55 season 3,300 tons were imported and 1,100 exported.

ITALIAN DRIED PRUNE PRODUCTION
UNCHANGED

The 1956 dried prune crop in Italy, is estimated at 1,100 short tons, the sams as last year.

Overall production of fresh plums and prunes in Italy declined because of adverse weather conditions, but dried prune production was maintained in view of a strong demand by Italian consumers. Production has been increasing; in the 5 years, 1947 through 1951, the dried prune pack averaged less than 500 tons per year.

YUGOSLAV 1956-57 DRIED PRUNE
EXPORTS APPEAR NEGLIGIBLE

According to official Yugoslav statistics for fiscal year 1955-56, exports of dried prunes from Yugoslavia in that period amounted to 29,352 short tons, by far the largest quantity exported since the war. Exports in the 1953-54 and 1954-55 marketing season totaled 21,705 and 24,073 tons respectively.

The 1956 dried prune crop in Yugoslavia is still estimated at only 5,500 short tons compared with 25,800 tons in 1955. Exports in 1956-57 will be negligible, possibly less than 2,000 tons.

Supply and distribution balances as estimated for 1955-56 and forecast for 1956-57 are shown on the next page. Estimates of Yugoslav stocks and consumption are based on fragmentary information and are subject to revision.

YUGOSLAV DRIED PRUNES

	1955-56 Estimate	1956-57 Forecast
	Short tons	
Stocks on hand, September 1........	9,000	0
Production.........................	25,800	5,500
Total supply......................	34,800	5,500
Exports............................	29,300	1,600
Domestic consumption...............	5,500	3,900
Stocks on hand, August 31..........	0	0
Total distribution..............	34,800	5,500

Exports by country of destination for fiscal 1955-56 are shown in the following table. The Soviet Union was the largest outlet, taking 9,863 tons, followed by the Federal Republic of Germany with 7,211 tons and Czechoslovakia with 3,466 tons. The Soviet bloc as a whole provided a market for 14,457 tons or 49 percent of total exports.

PRUNES, DRIED: Exports from Yugoslavia to specified countries, July 1955 - June 1956

Country of destination	July - Dec. 1955	Jan. - June 1956	1955-56 Total
	- - Short tons - -		
Austria	964	49	1,013
Denmark	947	304	1,251
Italy	1,850	269	2,118
Germany, Fed. Rep. of	2,199	5,012	7,211
East Germany	514	44	558
Poland	378	192	570
U.S.S.R.	7,158	2,705	9,863
Finland	428	0	428
France	62	1,772	1,834
Czechoslovakia	2,552	914	3,466
Switzerland	101	17	118
Israel	204	375	579
Tunisia	0	115	115
Other	105	123	228
Total	17,462	11,891	29,352

AUSTRALIAN EXPORTS DRIED VINE FRUITS
SHARPLY BELOW LAST YEAR

Australian exports of 1956 crop dried vine fruits to the United Kingdom - by far Australia's principal market for these fruits - were sharply below the 1955 level as a result of the short crop in 1956.

Comparative figures of exports to the United Kingdom are as follows (in short tons):

	1955	1956
Sultanas	38,761	16,802
Raisins	4,410	6,588
Currants	4,644	731
Total	47,815	24,121

The returns to the Australian grower from the reduced volume of sales will be augmented by the exceptionally high prices received in the U.K. market. Up to the end of October, sales on the U.K. market for the 1956 season brought an average price of $310 per short ton, ex-warehouse, U.K., equivalent to $272.50 f.o.b. Australian ports. The high average price is particularly noteworthy in view of the unusually large proportion of low quality fruit marketed. The low quality resulted from rain damage.

It is still too early to forecast the coming crop but it is believed the production will be below average. The effects of the recent floods in the Murray Irrigation districts have not yet been assessed. Hundreds of acres of vines have been under water for a considerable time. An examination of sultana vine buds carried out at the Merbein Research Station (Murray Valley, Victoria) indicated the potential yield may be about 10 percent below normal.

URUGUAY TO IMPORT NORTHERN
HEMISPHERE SEED POTATOES

Uruguay has authorized private importers to import 110,000 cwt. of Northern Hemisphere seed potatoes. This is part of a total importation of 300,000 cwt. the balance of which is to be imported by the government. Shipments are to arrive in Montevideo by January 25, 1957.

ITALIAN DRIED FIG CROP DOWN

The 1956 dried fig crop in Italy is estimated at 33,000 short tons, or 23 percent less than the 1955 crop of 43,000 tons. Average production (1949-53) is 52,800 tons.

Reduced production of figs in 1955 and 1956 was due both to unfavorable weather and market conditions. It appears that Italian consumer interest in fresh and dried figs is declining and that farmers are switching to other crops. The area exclusively in figs declined from 98,763 acres in 1954 to 94,374 acres in 1955. During the past several years the percentage of the fig crop dried has also been declining.

Exports of Italian dried figs have also been decreasing. In 1955-56 exports amounted to 3,804 short tons in comparison with 22,000 tons exported in the peak years of 1925 and 1926 and an average of 6,018 tons exported during 1950-54. Exports in 1956-57 will be still lower and may be exceeded by imports.

Consumption within Italy for 1955-56 was estimated at about 45,000 tons and should be considerably less in 1956-57.

Stocks on hand at the beginning of the 1956-57 season were estimated at 2,800 tons in comparison with 8,300 tons a year earlier.

The volume of Italian exports of dried figs in the 1955-56 season, by country of destination, was as follows (in short tons): Austria - 1784, France - 842, Federal Republic of Germany - 715, U. S. - 459, other countries - 4.

GAIN IN CEYLON'S RICE CONSUMPTION FOLLOWS DECREASE IN PRICE

Following a reduction in the price of rationed rice in Ceylon in mid-May, the daily consumption of rice rose from 1,500 to 1,900 long tons, an increase of 400 tons (900,000 pounds) per day. The fixed retail price of rationed rice was reduced from 5.25 cents per pound to 4.2 cents per pound, effective May 14, 1956.

Unless there is a further increase in rice consumption, the Government expects to have supplies available from its purchases of imported and domestic rice to meet the 1956 demand, estimated at approximately 1,440 million pounds of rice, excluding that consumed by producers.

The Ceylon Government has 1956 contracts for rice imports totaling 1,100 million pounds, which include the carry-over on the 1955 rice contract under the Communist China rubber-rice agreement. Food authorities also expect to purchase 340 million pounds of domestic rice under the Guaranteed Price Scheme.

Rice imports into Ceylon during the January-August period totaled 596,826,000 pounds valued at $31,983,000. This compares with 622,783,000 pounds valued at $34,293,000 during the same months of the preceding year. The decline in imports reflects the slowness of deliveries from Burma and Communist China, which are supplying rice under the 4-year Burma-Ceylon rice agreement and 5-year rubber-rice agreement between Communist China and Ceylon.

CEYLON: Rice (milled) imports, by country of origin, January-August 1956, with comparisons

Country of origin	Average 1935-39	Average 1946-50	Average 1951-55	1955	January-August 1955	January-August 1956
	Million pounds					
Burma	1/ 985	1/ 512	487	416	261	311
India	-	-	13	65	43	-
Indochina	23	0	10	0	0	-
Brazil	0	80	0	0	0	-
Thailand	202	56	12	27	27	-
Egypt	0	152	0	0	0	-
United States	0	0	28	0	0	-
Pakistan	-	2/	28	72	72	-
Communist China	0	0	282	269	220	285
Italy	0	10	0	0	0	-
Other countries	8	1	24	0	0	1
Total	1,218	811	884	849	623	597

1/ Burma and India. 2/ Less than 500,000 pounds.

Ceylon Customs Returns.

The average C & F price of imported rice during the January-August period was $5.36 per 100 pounds. The cost of rice from Burma averaged $5.62 per 100 pounds, and that from Communist China, $5.10 per 100 pounds.

The Ceylon Government in September announced that the 1957 contract price under the 4-year Ceylon-Burma rice agreement had been negotiated. Under the contract, the 1957 price f.o.b. for basic quality small mill special, 42 percent brokens, is £33 per long ton ($4.12 per 100 pounds), and for the boiled quality, £33/11/4 per long ton ($4.28 per 100 pounds). Ceylon intends to take the minimum quantity under the agreement of 200,000 long tons (448 million pounds).

UNION OF SOUTH AFRICA TO DISCONTINUE WHEAT IMPORTS DURING 1957

The Government of the Union of South Africa has decided to discontinue wheat imports during the 1956-57 marketing season (November-October) in view of heavy carryin stocks and prospects of a record crop of new wheat. It is even possible that the country will find it necessary to develop export outlets for surplus wheat in future years, if production is maintained at the level of the past two crops.

The Union's annual wheat production rose from an average of 16 million bushels during 1935-39 to approximately 23 million bushels from 1950 to 1954. The upward trend was the result of favorable Government price supports for home grown wheat which encouraged an expansion of over 1 million acres of wheat planted in the Cape Province and the Orange Free State. However, domestic wheat consumption increased from an average of 16.8 million to approximately 28 million bushels during the same period. This necessitated a high level of imports, despite expansion in planted area and production. Annual wheat imports during the 5-year period ending with 1954, mostly from Canada and the United States, ranged from 6 to 10 million bushels compared with the 1935-39 average of only 786 thousand bushels.

The South African trade situation has been changed in the past two years by programs to develop self sufficiency in wheat production. Improved varieties of summer wheat, in production the past two years, have contributed to substantial increases in yields. Wheat production of 29 million bushels for the 1955-56 season exceeded the 1950-54 average by 6 million bushels. The 1956-57 crop is currently estimated at 31.9 million bushels with a possibility that production may exceed 33 million bushels.

The Union's carryover of wheat on November 1, 1955 amounted to about 15 million bushels. The 1955-56 and the new 1956-57 crop are near or in excess of domestic requirements, estimated at about 30 million bushels. Prospective supplies for 1956-57, which include some carryin of imported Canadian and U.S. wheat, appear sufficient to satisfy domestic requirements and assure an adequate carryover on November 1, 1957.

It is very probable that wheat production may expand still further in the immediate future. The fixed Government price to producers for standard type domestic wheat has been maintained uncharged at 53 s. 3 d. per 200 pounds ($2.25 per bushel) for the 1956-57 marketing season. At this price, the planted area should remain near the present level of about 2.9 million acres, but average yields are expected to improve with expansion in irrigation from the Orange and Vaal rivers and the increased use of new wheat varieties more adaptable to production in the summer rainfall area. Increased production may be offset by a continued rise in domestic use of wheat, which has been influenced by increasing shift from corn to wheat products in recent years.

The Union's future trade position may be affected by the quality of domestic wheat. A large porportion of the country's production is from varieties which require mixture with higher grade wheats to obtain stronger qualities of flour. The production of the past two years has increased the supply of lower grade wheat and it appears, therefore, that limited quantities of higher protein wheat may have to be imported and that, at the same time, a small surplus of domestic wheat will reach the export market.

CUBAN SUGAR STOCKS DECLINING

Cuban stocks of sugar, as of January 1, 1956, were 1,786,000 short tons, raw value, made up of 593,000 tons from the 1955 crop, 398,000 tons freed by the Stabilization Reserve for use in 1956 and the balance of 795,000 tons held for reserve stocks. The production was restricted to 5,225,000 tons while the export quotas to the United States, world free market and local consumption were 3,035, 2,920 and 341 thousand short tons, respectively. Adding January 1, 1956 stocks to the 1956 production and subtracting export and local consumption for the year, results in a stock estimate for January 1, 1957 of about 715,000 tons.

On November 24, 1956 President Batista announced the 1957 sugar crop would be restricted to 5,150,000 Spanish long tons (5,850,000 short tons). This is 150,000 Spanish tons larger than the crop recommended by the Cuban Sugar Stabilization Institute earlier in the month.

GOLD COAST COCOA DEVELOPMENTS

The Gold Coast is concerned about the type of cocoa that should be grown. A recent meeting was held the question between the United Ghana Farmer's Council, the Minister of Agriculture and cocoa manufacturers' representatives, but the question was not resolved. The Council had requested the meeting, since it was being said that the flavor of the Amazon type of cocoa is not as good as that of the domestic Amelonado type. The Amazon type bears much earlier than Amelonado, and is more tolerant of disease. In recent years this type has been in heavy demand and since 1954 there have been 3,133,900 Amazon cocoa seedlings and 44,000 pods distributed to farmers.

Cocoa manufacturer's representatives told the Council that scientific analysis of West African Amazon cocoa showed that the flavor is good, and that it is acceptable to manufacturers. Notwithstanding these assurances, the Council expects to consider the matter further.

AUSTRALIAN WOOL PRICES CONTINUE TO CLIMB

Wool auctions were held in Sydney and Geelong during the week ending November 16, 1956. Approximately 111,384 bales were sold under strong competition from the Continent, Japan, and the United Kingdom.

Prices ranged from fully steady to 2 percent higher than the previous week. An especially keen demand was noted for super style fleece and skirtings.

AUSTRALIAN WOOL PRICES

Wool prices: Average raw wool costs, clean basis, on Australian auction floors, by quality classification

(Current prices with comparisons)

Type and Grade	Week Ended 11-9-56	Week Ended 11-16-56	Year Ago 11-18-55
	U. S. Dollars per pound		
Combing Wools			
70's Good	1.61	1.64	1.29
Average	1.53	1.55	1.20
64's Good	1.42	1.45	1.10
Average	1.38	1.40	1.07
60's Good	1.28	1.29	.98
Average	1.23	1.24	.95
58's Good	1.14	1.14	.90
Average	1.11	1.11	.87
56's Good	1.00	1.00	.83
Average	.98	.98	.80
50's Good	.89	.90	.76
Average	.87	.88	.75
Carding Wools			
Merino	.83	.83	.70
Comeback	.75	.75	.63
Fine Crossbred	.67	.68	.62
Medium Crossbred	.65	.66	.61

Source: Wool Statistical Service Australian Wool Bureau.

ARGENTINE LARD AND REFINED EDIBLE TALLOW EXPORTS INCREASE WHILE EDIBLE TALLOW DECLINES

Because of the liberalized exchange rate, Argentine exports of lard for the first 9 months of 1956 have increased about 75 percent over a similar period in 1955 and 55 percent over 1954. Lard exports for the third quarter (July-September 30) totaled 5.4 million pounds, 60 percent of which went to Peru, and approximately 15 percent each to the United Kingdom and Chile.

Argentine exports, particularly of refined edible tallow, have also made spectacular gains, increasing from 317,462 pounds for the first 9 months of 1953 to 4.3 million pounds for the same period in 1956. Exports for the third quarter totaled 3.2 million pounds with over 99 percent going to the United Kingdom.

In an effort to regain some of her lost market, especially for unrefined edible tallow, Argentina has authorized an export quota of 20 percent of its production.

Exports of unrefined edible tallow have shown a decrease from approximately 5 million pounds for the first 9 months of 1954, to 1.6 million pounds for the same period of the current year. This decline may be partially due to the more favorable exchange rate on the exports of refined edible tallow.

AUSTRALIA TO INCREASE MEAT EXPORT QUOTA

The Australian Ministry of Primary Industry announced that meat exports outside the United Kingdom and other British areas would be increased from 10,000 to 15,000 long tons for the export seasons of 1956-57 and 1957-58. Under the 15 year meat agreement now in effect between Australia and the United Kingdom, the United Kingdom takes all of Australia's meat exports except for such "free" quotas as might be arranged. In 1955 the United States imported 1,720 tons of Australian meat, mostly canned beef, under the free quota system.

This move is a result of Australia's desire to find new outlets for its exports, thus reducing dependence on one market and of pressure in the United Kingdom to reduce purchase of frozen beef from Australia in favor of Argentinian chilled beef. (See Foreign Crops and Markets, May 14, 1956).

AUSTRALIAN LIVESTOCK NUMBERS UP

Livestock numbers in Australia increased significantly in the past year and a further increase is in prospect this year. On March 31, sheep numbers had set a new high of 139 million head and were 6 percent larger than a year earlier. Beef cattle numbers increased 5 percent and dairy cattle 2.5 percent during the year ending March 31.

A record lamb crop is expected during the current season because of the record number of breeding ewes and favorable pasture conditions. Present wool prices have encouraged producers to raise ewe lambs to maturity. The favorable grazing conditions have encouraged farmers to hold back both cattle and sheep from slaughter. Exceptionally high prices are being offered for breeding and grazing animals in the West Australian states in an effort of producers to increase the size of their herds.

As an exception to the general rise in livestock numbers, hog numbers declined nearly 10 percent in 1955-56 because of the low prices received by producers. Apparently the hog cycle is now turning upward in Australia but no great increase in numbers is foreseen in 1956-57.

Australia: Livestock numbers on farms and ranches, March 31, 1955-56

Class	1955	1956	Percent Change 1955 to 1956
	1,000	1,000	
Sheep	130,899	139,036	+ 6.3
Beef cattle	10,950	11,450	+ 4.6
Dairy cattle	4,886	5,008	+ 2.5
Hogs	1,246	1,170	-9.8

Source: Commonwealth Bureau of Census & Statistics

CANADIAN HOG PRICES REMAIN HIGH

In spite of very heavy hog slaughterings during the first 10 months of this year, hog prices in Canada have remained above the support price of $23.00 per hundred pounds carcass weight. During the week ending November 10 the average carcass price in Toronto for grade A hogs was $30.50. The average dressed equivalent (75 percent yield) price of hogs at Chicago for the same period was $20.11.

Due to an estimated 10 percent decline in summer and fall pig farrowings this year, Canadian hog slaughter for the balance of 1956 and 1957 is expected to show a decrease. Canada is enjoying an unusually high degree of prosperity at present with a consequent rise in demand for all consumer goods, including pork.

The wide spread between hog prices in the United States and Canada is due to the fact that Canada does not allow imports of uncooked pork products and live hogs from the United States. Canada continues to export some pork products to the United States, mostly canned hams and shoulders, but this trade has dropped materially in 1956.

ARGENTINA ANNOUNCES EXPORT QUOTAS FOR CATTLE TO BOLIVIA

Argentina has announced an export quota of 10,400 head of cattle to Bolivia during the last 3 months of this year. Of these cattle, 8,400 head are to come from the central part of Argentina and 2,000 head from the province of Formosa. The present quota is expected to supply Bolivia with sufficient meat until the end of the year at which time a new trade agreement will be arranged.

WORLD CONSUMING MORE WOOL IN 1956

World consumption of raw wool by the 11 countries reporting to the International Wool Study Group was 9 percent higher in January-September 1956 than during the same period in 1955. This reflects the relatively strong demand for wool in the major consuming countries.

The United Kingdom and Sweden reported a slight reduction in consumption in 1956, while the largest gain occurred in Japan where more wool was consumed through January-September period than in all of 1955. Other countries using substantially more wool were the United States, France, Federal Republic of Germany, Italy, and Belgium.

On a quarterly basis Japan and the Federal Republic of Germany were the only countries to increase consumption in the third quarter as compared with the second quarter. Although consumption declined rather sharply in some of the other countries, the daily rate of consumption remainded virtually the same.

Consumption of materials other than virgin wool in the wool textile industries of the reporting countries increased 3 percent during January-September. These materials include noils, waste, broken tops, re-used wool, shoddy or mungo, artificial fibers, hair, cotton, and silk.

WOOL: Consumption of Virgin Wool in Specified Countries annual 1953, 1954, 1955 and January-September 1955-56 1/

(Million pounds - Clean basis)

Country	1953	1954	1955 2/	January-September 1955	January-September 1956 3/	Percent change
United States						
Apparel	358	266	286	214.2	230.5	+ 8
Carpet	136	115	132	95.0	108.4	+ 14
Other 4/	(10)	(8)	(8)	(6.0)	(6.0)	-
Total 5/	504	389	426	315.2	344.9	+ 9
United Kingdom	488	462	475	354.6	350.8	- 1
France	251	256	246	177.7	199.0	+ 12
Germany, West	154	152	168	121.6	131.6	+ 8
Japan	125	110	121	91.1	124.3	+ 36
Italy	132	119	113	83.3	90.6	+ 9
Belgium	70	63	65	48.0	57.2	+ 19
Australia	55	56	56	41.7	(48.3)	+ 16
Netherlands	24	25	26	18.9	19.8	+ 5
Canada 6/	25	18	22	16.0	17.5	+ 9
Sweden	13	12	12	8.6	7.9	- 8
Total (11 countries)	1,841	1,662	1,730	1276.7	1,391.9	+ 9
Other countries	854	932	928			
Total	2,695	2,557	2,614			

Source: Commonwealth Economic Committee and International Wool Textile Organization.

1/ Figures in brackets represent estimates in the absence of full returns from reporting countries. 2/ Revised. 3/ Provisional. 4/ Wool consumed in cotton and other spinning systems and estimated consumption in batting and felt manufacture. 5/ Scoured basis. 6/ Excluding consumption in hosiery industry, etc. 7/ Includes estimate of U.S. consumption on clean basis and consumption in Canadian hosiery, etc.

PANAMA PROHIBITS IMPORTS OF GRAIN SORGHUMS

On November 19, 1956 the Panama Office of Price Control through Resolution 149 prohibited importations of grain sorghums into Panama when that grain might be destined for the manufacture of animal feeds in substitution for corn. The Office of Price Control stated that it has been observed that importations of grain sorghums have been on the increase. This imported grain has been utilized in feed manufacture in place of Panamanian-produced corn.

The Office of Price Control has determined that such imports can be detrimental to the national production of corn for which there is a campaign to increase production. Further, in each contract between the government and feed manufacturer's operating under the privileges provided in Decree Law No. 12 of 1950, the manufacturer is obligated to utilize national materials whenever they are available.

COTTON PRODUCTION IN GREECE CONTINUES TO INCREASE

The 1956-57 cotton crop in Greece is estimated at 285,000 bales (500 pounds gross), or 2 percent higher than the record 1955-56 crop of 279,000 bales. Acreage for 1956-57, however, declined nearly 4 percent from 410,000 acres in 1955-56 to 395,000 in the current period. The cold, late spring prevented planting of the total anticipated acreage, but a significant shift to irrigated cotton resulted in higher yields to offset the acreage reduction. Both acreage and production have more than doubled in the last 6 years, as shown in the following table:

GREECE: Cotton acreage, production, and yield per acre, crop years 1950-56

Year beginning August 1	Acreage	Production	Yield per acre
	1,000 acres	1,000 bales 1/	Pounds lint
1950	191	117	294
1951	213	130	293
1952	203	111	262
1953	220	139	303
1954	270	190	338
1955	410	279	327
1956	395	285	346

1/ Bales of 500 pounds gross. Source: Hellenic Cotton Board.

Irrigated cotton acreage increased to 47.5 percent of the total in 1956-57, as compared with 39 percent in 1955-56, and further increases are expected in the future. Nonirrigated cotton during the current season reportedly suffered considerably from high temperatures and dry weather, whereas the irrigated crop was reported to be in very good condition and high yields were obtained. In 1956-57 there were two outbreaks of the formerly minor insect pests, the Spiny Bollworm in the Scala area, and the Cotton Bollworm in the Salonika vicinity. Damage was heavy in the small areas affected but there was little effect on total national production.

Grading records for about 98 percent of the 1955-56 cotton production in Greece, show that 77 percent of the crop graded Middling or better, as compared with 92 percent of the 1954-55 crop. Inspection of 233,000 bales of the 1955-56 crop indicate that 13,027 bales were Good Middling, 90,811 bales Strict Middling, 75,290 bales Middling, 40,488 bales Strict Low Middling, and 11,314 bales were Low Middling.

The average staple length of the 1955-56 crop increased slightly from the 1954-55 crop. This was due to the planting of a larger area to longer staple varieties. The trend is expected to continue and probably will be accelerated in the next 2 or 3 years. In 1955-56, 21,681 bales of the 233,000 inspected, were classified at 15/16 inch staple, 106,821 bales at 31/32 inch, 49,877 bales at 1-1/32 inch, 25,755 bales at 1-1/16 inch, and 20,143 bales at 1-3/32 inch.

Cotton exports from Greece amounted to 180,000 bales in 1955-56, the largest on record, and more than double the exports of 68,000 bales in 1954-55. Greece shifted from a net importer to a net exporter of cotton in 1951-52. Principal destinations since that time have been Italy, France and Yugoslavia.

Quantities exported in 1955-56 with comparable 1954-55 figures in parentheses were: Italy 90,000 bales (32,000); France 50,000 (18,000); Yugoslavia 20,000 (16,000); Hungary 6,000 (none); Belgium 5,000 (1,000); Rumania 3,000 (none); and Federal Republic of Germany 2,000 (200).

Cotton imports by Greece, principally from Egypt and the United States, amounted to 4,000 bales in 1955-56, down considerably from the 9,000 bales imported in 1954-55. Greece produces all her requirements of short and medium staple cotton, and imports small amounts of long staple cotton, principally from Egypt. Imports from the United States were unusually heavy during the 1954-55 season due to favorable credit facilities extended to Greek manufacturers during that period.

There has been no significant change in the rate of cotton consumption in Greece during the past year. Consumption in 1955-56 amounted to 111,000 bales as compared with 115,000 in 1954-55. The decline of 3 percent was attributed primarily to high imports of cotton textiles and cotton clothing. Cotton stocks on August 1, 1956, were estimated at 23,000 bales, down about 25 percent from stocks of 31,000 bales held a year earlier.

EXPANSION IN SYRIA'S COTTON PRODUCTION

Cotton production in Syria is estimated at 500,000 bales (500 pounds gross) in the August-July 1956-57 marketing year, an increase of 25 percent over the 400,000 bales produced in 1955-56, and a continuation of the rapid expansion of cotton production in recent years. Cotton acreage for 1956-57 is estimated at 675,000 acres or 12.5 percent higher than 1955-56. Both acreage and production have increased nearly fourfold in the last 6 years, making Syria one of the big ten in world cotton production and exports.

SYRIA: Cotton acreage, production, and yield per acre, crop years 1950-56

Year beginning August 1	Acreage	Production	Yield per acre
	1,000 acres	1,000 bales 1/	Pounds lint
1950	195	138	340
1951	537	225	201
1952	457	207	217
1953	370	220	285
1954	463	365	378
1955	600	400	320
1956 (est.)	675	500	356

1/ Bales of 500 pounds gross. Source: Official estimates.

Most of Syria's cotton is produced on the irrigated lands of the muhafazat (provinces) of Aleppo, Deir-ez-Zor (formerly Euphrates), Hama, and Hasetcheh (formerly Jezirah). Deir-ez-Zor and Hasetcheh, where the acreage expansion has been particularly rapid in the last few years, have insufficient rainfall for cotton production, but adequate irrigation water is available from the Euphrates and Khabour Rivers. Much of the crop in the new areas is on a share-cropper basis, with the land preparation highly mechanized, but the cultivation and picking are done by hand. Approximately 75 percent of the 1956-57 cotton acreage was irrigated, with production from the irrigated areas accounting for about 85 percent of the total crop.

Practically all of Syria's cotton is now of the American Upland type, known as Coker-100-Wilt. The Government maintains complete control of seed distribution. Most of the 84 gins are located near Aleppo, although the cotton is grown throughout the country. There are 2,366 roller gin-stands, and 51 saw gin-stands.

All Syrian cotton is sold on private types. Formerly there was only one grade, but recently many merchants have shifted to the American type of grading, and have three or four private types. An example of these private types is as follows: 1. Extra (1-1/16 inch guaranteed); 2. Super (1-1/32 inch guaranteed); 3. Type A or Prime (no staple guarantee); 4. Secunda (not graded). A large portion of the crop is reported to be from 1-1/32 to 1-1/16 inches in staple length.

Syria's cotton exports during August-July 1955-56 were estimated at 360,000 bales, as compared with 317,000 bales in 1954-55. About half normally has been exported to France, with sizeable quantities also to the United Kingdom, and Italy. Quantities exported during the 9-month period, August-April 1955-56, with total year 1954-55 exports in parentheses were as follows: France 161,000 bales (158,000); Italy 45,000 (49,000); United Kingdom 36,000 (53,000); Japan 23,000 (10,000); Western Germany 19,000 (24,000); and Belgium 8,000 (11,000). Heavier buying by Communist countries has been reported during the first part of the 1956-57 season.

Syria's cotton consumption in 1955-56 amounted to 38,000 bales as compared with 36,000 in 1954-55. Consumption during 1956-57 is expected to increase by about 10 percent. Installation of new cotton spindles, 10,000 each in Damascus and Aleppo, will bring the total number of cotton spindles to 100,000. Improved techniques in textile manufacturing, increased domestic demand, increased customs duty in July 1955 on imported common textiles, and resumption of textile exports to Iraq are some of the factors expected to bring about the increased consumption.

Practically all of Syria's exportable cotton is usually exported within the year of production. Stocks on August 1, 1956, were reported at 21,000 bales, as compared with 19,000 bales a year earlier, and 7,000 bales on August 1, 1954.

The Syrian Parliament enacted a law on February 23, 1956, to establish a private institution called "Cotton Textiles Industries Promotion Fund". The funds for this institution will be provided in part by a fee on cotton entering cotton yarn and textile mills, and in part by Government aid. The funds will be used mainly for an export bonus on exports of cotton yarns and textiles, as well as on textiles in which cotton yarns constitute a blend. It is believed the institution will encourage the domestic cotton spinning and weaving industries.

The cotton export tax was changed on April 18, 1956, from a gross weight levy to net weight, and now amounts to 20 Syrian piasters per kilo of cotton lint, equivalent to about 2.54 U. S. cents a pound. On a gross weight basis, the previous tax rate was equivalent to 2.65 cents a pound.

SLIGHT INCREASE IN NIGERIAN COTTON PRODUCTION

Cotton production in Nigeria in August-July 1956-57 is estimated at 165,000 bales (500 pounds gross), considerably higher than the low 1955-56 crop of 142,000 bales, but only slightly higher than the 1954-55 crop of 160,000 bales. Cotton production has fluctuated considerably in recent years with a general upward trend from 75,000 bales in 1950-51.

Most of Nigeria's cotton is produced in the Northern Region, north of 11° N. latitude. Some cotton is produced south of this line, but the incidence of disease and insect infestation is so high that yields reportedly are only from 100 to 150 pounds of seed cotton per acre. Cotton acreage in Nigeria is difficult to estimate accurately because of the custom of interplanting cotton with other crops. Average yields are reported to be less than 300 pounds of seed cotton, or less than 100 pounds of lint per acre.

Nigerian officials hope that by restricting cotton production to the better areas, the use of improved seed, chemical fertilizers, soil management, and rotations, as well as insect and disease control, they may eventually reach a production goal of about 420,000 bales (500,000 bales of 400 pounds) from an area between 800,000 and 1,000,000 acres. Attainment of this goal will be limited by grower acceptance of modern cultivation methods, and by the need of lands for production of food and other crops.

Cotton exports from Nigeria were estimated at 172,000 bales during August-July 1955-56, as compared with 119,000 bales in 1954-55. Nearly all of the exports are destined for the United Kingdom.

Domestic consumption of cotton amounts to approximately 5,000 bales per year. Cotton stocks on August 1, 1956, were estimated at 25,000 bales, as compared with 60,000 bales held a year earlier.

All cotton in Nigeria is ginned by one company on a contract basis for the Marketing Board. There are 9 gins in the Northern Region, one in the Western Region, and one more being constructed in the Northern Region. Nigerian cotton is of the American Upland type, mostly of improved Allen varieties, adapted to Nigerian conditions. New seed, 26J, is now being multiplied to replace 26C. The 26J is reported to be higher yielding, and about 1/32nd inch longer than 26C. Average staple lengths of Nigerian cotton range from 1 to 1-1/16 inches.

A new 300 loom textile mill, equipped with British textile machinery is nearing completion in Kaduna. This will be the first textile plant in Nigeria to use locally-grown cotton. Two other mills at Kano and Lagos use imported yarn. The annual output of the new factory, when in full production, is estimated at from 10 to 12 million square yards of bafts (grey cloth), utilizing between 6,000 and [illegible]00 bales of the lower grades of Nigerian cotton per year. There [illegible] also about 15 old-type English hand looms in operation throughout the country.

U. S. EXPORTS IN 1955-56 OF SOYBEANS, OIL, AND MEAL AT ALL-TIME HIGH

United States exports of soybeans, soybean oil and soybean cake and meal during the year 1955-56 (October-September) were the largest of record. Soybean exports of 66.8 million bushels exceeded the previous record in 1954-55 by over 6 million bushels. Exports of crude and refined soybean oil at 589.9 million pounds, crude oil basis, were 17 percent larger than the previous record volume exported in 1950-51 and more than 11 times the quantity exported in 1954-55 when exports of edible oils were largely from CCC stocks of cottonseed oil. Exports of soybean cake and meal at 400,000 tons exceeded the previous record in 1954-55 by almost 50 percent.

The increase in soybean exports was due largely to the 7-million bushel increase in the volume shipped to Europe, although this was offset in part by a decline of nearly 2 million bushels in shipments to Asia. Exports to the Federal Republic of Germany, the largest European market, totaled 12.6 million bushels exceeding those of 1954-55 by 4.5 million bushels, while shipments to the Netherlands were up almost 2 million bushels. Japan continued to be the major market for U. S. soybeans, accounting for 20.4 million bushels, or almost one-third of the total. This quantity, however, was only slightly larger than shipments to that country in 1954-55. Exports to Canada, another major U. S. market, were up 700,000 bushels over last year.

The sharp increase in soybean oil exports was due principally to the heavy sales to Spain of almost 370 million pounds crude oil basis (347 million refined and 2 million crude), of which over 50 percent was shipped under P.L. 480 agreements. The sales, representing over one-half of the total U. S. soybean oil shipments to all destinations, were due to the shortage of olive oil in Spain resulting from 2 consecutive years of below-average olive crops and increased consumption needs.

Shortages of olive oil in Greece and Italy resulted in heavy sales of U. S. soybean oil under P. L. 480. While this was the second successive year of sales to Greece, exports in the year just ended at almost 78 million pounds were more than 8 times the quantity shipped to that destination in 1954-55. The 14 million pounds to Italy and the 19 million pounds to French Morocco represented record exports to those markets. Chile also was a major market for U. S. soybean oil in 1955-56, taking almost 27 million pounds mostly under P. L. 480, as well as larger quantities of cottonseed oil.

UNITED STATES: Exports of soybeans, soybean oil, and soybean cake and meal, marketing years October-September 1952-53 through 1955-56

Country of destination	1952-53			1953-54			1954-55			1955-56 1/		
	Soybeans	Soybean oil 2/	Soybean oil cake and meal	Soybeans	Soybean oil 2/	Soybean oil cake and meal	Soybeans	Soybean oil 2/	Soybean oil cake and meal	Soybeans	Soybean oil 2/	Soybean oil cake and meal
	1,000 bushels	1,000 pounds	Short tons	1,000 bushels	1,000 pounds	Short tons	1,000 bushels	1,000 pounds	Short tons	1,000 bushels	1,000 pounds	Short tons
NORTH AMERICA												
Canada	4,520	16,495	18,532	4,708	15,309	28,738	8,107	23,217	72,638	8,844	25,171	197,113
Cuba	3/	4,088	12,354	3/	3,258	13,957	3/	5,614	18,662	3/	10,509	23,163
Haiti	-	789	-	-	340	-	-	530	-	-	6,551	-
Mexico	3/	23	44	-	192	60	3/	294	172	-	5,463	204
Other	3/	385	33	-	231	40	-	531	270	-	1,032	332
Total	4,520	21,780	30,963	4,708	19,330	42,795	8,107	30,186	91,742	8,844	48,726	220,812
EUROPE												
Austria	-	4,459	-	-	-	1,000	-	-	-	37	-	-
Belgium-Luxembourg	1,058	856	-	674	903	20	714	47	17,406	2,091	1,514	24,742
Denmark	1,448	-	-	612	-	-	2,886	-	24,950	4,223	-	21,510
Finland	-	-	-	-	-	-	164	-	8,929	335	-	7,363
France	218	1,208	-	881	413	-	2,370	1,064	4,591	1,575	816	6,880
Germany, Western	1,595	28,623	-	4,821	19,992	210	8,143	3,185	1,683	12,633	4,774	11,998
Greece	-	-	-	-	-	-	-	9,426	-	-	77,646	11
Iceland	3/	333	125	-	268	375	-	221	1,440	-	351	1,657
Ireland	-	-	-	-	-	1,515	-	-	3,900	-	-	1,551
Italy	-	4,966	115	1	423	-	29	-	10,969	30	14,339	28,418
Netherlands	2,723	17,513	-	5,885	20,796	110	7,308	-	39,585	9,140	6,738	14,360
Norway	676	-	-	559	-	-	816	-	25,529	674	-	21,585
Spain	-	-	-	-	-	-	-	-	50	-	369,867	118
Sweden	-	-	22	-	-	-	520	-	555	93	18	11,976
Switzerland	-	3,349	-	21	5,784	-	372	92	1,219	50	1,434	1,543
United Kingdom	84	1,631	200	1,563	901	640	1,794	105	16,030	1,491	46	5,969
Other	184	-	-	-	-	-	-	-	1,504	-	-	55
Total	7,986	62,938	462	15,017	49,480	3,870	25,116	14,140	158,340	32,372	477,543	159,736

SOUTH AMERICA												
Argentina	-	-	-	-	-	-	-	-	-	9	-	-
Chile	-	-	-	-	278	-	-	322	-	-	26,998	-
Colombia	-	1,426	31	-	32	20	-	829	-	-	265	-
Ecuador	-	222	-	-	11	-	-	81	-	-	444	-
Peru	-	-	-	-	-	-	-	7	-	-	-	-
Venezuela	-	21	352	-	148	1,308	-	354	1,131	-	212	1,692
Other	-	339	21	-	103	14	-	176	79	-	-	76
Total	-	2,008	404	-	572	1,342	-	1,769	1,210	9	27,919	1,768
ASIA												
Israel	674	2,720	-	54	35	-	2,376	-	-	1,468	-	-
Japan	14,508	-	14,374	16,021	35	17,537	20,350	243	18,455	20,402	126	13,628
Korea	526	-	-	176	-	-	115	-	-	-	-	-
Philippines	136	21	644	129	11	958	59	45	1,833	49	6	3,888
Taiwan	3,553	2,400	-	3,219	-	-	4,321	-	-	3,516	-	-
Other	5	372	12	317	9	16	52	-	-	43	40	-
Total	19,402	5,513	15,030	19,916	90	18,511	27,273	288	20,288	25,478	172	17,516
AFRICA												
Algeria	-	1,674	-	22	119	-	104	-	-	-	3,868	-
French Morocco	-	-	-	-	1,477	-	19	4,854	-	-	18,704	-
Tangier	-	127	-	-	58	-	-	500	-	-	2,138	-
Spanish Morocco	-	-	-	-	-	-	-	-	-	-	9,338	-
Union of South Africa	-	372	-	-	655	-	-	489	-	-	308	-
Other	-	-	-	-	-	-	3/	-	-	-	-	-
Total	-	2,173	-	22	2,309	-	123	5,843	-	-	34,356	-
OCEANIA												
Australia	-	131	-	-	224	-	-	-	40	-	-	-
Other	3/	22	-	-	-	-	3/	73	-	-	54	30
Total	-	153	-	-	224	-	-	73	40	-	54	30
Grand total	31,908	94,565	46,849	39,663	72,005	66,518	60,619	4/ 52,398	4/ 271,700	5/ 66,751	5/ 589,894	5/ 400,109

1/ Preliminary. 2/ Crude and refined oil in terms of crude oil. 3/ Less than 500 bushels. 4/ Includes 99,000 pounds of oil and 80 short tons of oil cake and meal whose destination is not indicated. 5/ Includes 48,000 bushels of beans, 1,124,000 pounds of oil and 247 short tons of oil cake and meal whose destination is not indicated.

Compiled from official records of the Bureau of the Census.

While the United States normally exports a sizable volume of soybean oil to Canada, in addition to substantial quantities of cottonseed oil, exports in 1955-56 at 25 million pounds were the highest of record.

The sharp expansion in exports of soybean cake and meal was due primarily to the unprecedented quantity sent to other North American countries, largely Canada. The 197,000 tons shipped to Canada represented almost one-half of the total quantity exported in 1955-56. Almost 40 percent of the total went to Europe with Italy, Belgium-Luxembourg, Norway and Denmark the major markets.

ARGENTINE FLAXSEED ACREAGE LARGEST SINCE 1948-49

The latest official estimate places Argentina's 1956-57 flaxseed acreage at 3,217,000 acres, an increase of 20 percent from the official preliminary estimate of about 2 months ago. This is over 90 percent greater than plantings in the 1955-56 season and the largest since 1948-49 when 3,224,000 acres were planted.

Distribution is as follows in thousand acres: Entre Rios, 1,134; Cordoba, 809; Santa Fe, 658; Buenos Aires, 594; and other provinces, 22.

The crop reportedly is in good to excellent condition. As of the end of November, combining was under way in the northern-most areas. Harvesting and storage facilities are short. Indications are that processing will begin almost immediately.

SECOND SURVEY CONFIRMS NEAR-RECORD WORLD BREADGRAIN PRODUCTION

Early season forecasts of a near-record world breadgrain crop in 1956 are confirmed by recent reports received in the Foreign Agricultural Service. Current information indicates that the combined crop of wheat and rye will total about 265 million short tons, second only to the 1952 record of 274 million tons. The estimated world wheat crop is only nominally below the production of that record year, but rye production is estimated to be about 20 percent below the 1952 total.

Revisions in estimates since the first forecast carried in Foreign Crops and Markets September 24, 1956, bring the world wheat production to 7,545 million bushels, a net increase of 35 million bushels over the first forecast. This is 140 million bushels above the large outturn last year. The considerably expanded wheat production in the Soviet Union is the most important factor in the increase this year. The Soviet increase more than offset a sharp reduction in Europe. World rye production this year is placed at 1,360 million bushels, about 90 million bushels less than in 1955. This would be the smallest rye crop of the past 10 years.

Wheat production in North America, as estimated at 1,555 million bushels, is about 90 million bushels above production last year. Increases are reported for each of the three important producing countries of the area. Canada's increase of 44 million bushels is the largest. Near-record yields account for the gain since acreage was the smallest since 1953. The United States crop of 976 million bushels, though 39 million bushels more than in 1955, is, with that exception, the smallest harvest since 1943. Mexico reports a record outturn of 40 million bushels.

Rye production in North America is about 30 percent less than in 1955 and 44 percent below the 1935-39 average. Sharply reduced acreage accounts for the decline. Acreage in Canada is down about a third from the prewar average and United States acreage is less than half the 1935-39 average.

Unfavorable weather in Europe resulted in a significant reduction in wheat acreage and also smaller yields than in 1955. Much winter killed wheat acreage was re-seeded to spring sown coarse grains, especially in France, bringing wheat acreage in Western Europe about 10 percent below the 1955 acreage. Unfavorable weather over large areas, especially at harvest time, reduced both the quantity and quality of the harvest, which will increase wheat import needs somewhat. The current estimate of 1,195 million bushels of wheat, though about 15 percent below the large crop last year, is still above the prewar average.

Conditions were also unfavorable over much of eastern Europe, where wheat acreage was slightly below and yields somewhat below the 1955 level for that area. The estimated total of 380 million bushels is about 10 percent below the 1955 figure and 18 percent less than the prewar average (1935-39).

Rye production in Europe was only slightly below the 1955 crop but was considerably below the prewar average. The outturn in western Europe was well maintained, but in the important producing area of eastern Europe production was somewhat smaller. The estimate of 390 million bushels for this area in 1956 contrasts with the prewar average of 481 million.

Wheat production in the Soviet Union appears to be up sharply as a result of some further spring wheat acreage expansion in the so-called New Lands east of the Volga and the Urals and better spring wheat yields than in 1955. Weather conditions were highly variable. Winter kill was abnormally heavy but growing conditions for spring wheat were mostly very favorable east of the Volga, including the New Lands. Conditions west of the Volga were spotty and generally less favorable than in the eastern areas. A high level of production is indicated despite heavy losses both during and after harvesting. Those losses are attributed to unfavorable weather and inadequate transportation and drying and storage facilities. As a result, milling quality of much of the crop is likely to be below average. The large harvest is reflected in a much higher level of governmental procurement than in recent years.

(Text continued on page 31)

WHEAT: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1945-49, annual 1954-56 1/

Continent and country	Acreage 2/ Average 1935-39	Acreage 2/ Average 1945-49	Acreage 2/ 1954	Acreage 2/ 1955	Acreage 2/ 1956 4/	Yield per acre 3/ Average 1935-39	Yield per acre 3/ Average 1945-49	Yield per acre 3/ 1954	Yield per acre 3/ 1955	Yield per acre 3/ 1956 4/	Production Average 1935-39	Production Average 1945-49	Production 1954	Production 1955	Production 1956 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA															
Canada	25,595	24,558	24,267	21,506	21,340	12.2	14.8	12.7	23.0	25.2	312,399	362,774	308,909	494,140	537,796
Mexico	1,244	1,244	1,890	1,804	1,977	11.5	12.5	16.3	17.9	20.4	14,284	15,522	30,840	32,330	40,420
United States	57,293	71,024	54,356	47,255	50,466	13.2	16.9	18.1	19.8	19.3	758,629	1,202,396	983,900	936,761	975,517
Estimated total 5/	84,170	96,880	80,610	70,660	73,880	-	-	-	-	-	1,086,000	1,581,000	1,325,000	1,464,000	1,555,000
EUROPE															
Austria	630	528	588	604	620	25.3	20.5	28.2	33.4	33.5	15,942	10,800	16,600	20,180	20,770
Belgium	394	371	455	472	464	40.3	39.7	46.5	55.6	47.2	15,887	14,733	21,140	26,250	21,920
Denmark	319	175	211	164	164	45.4	49.7	50.9	56.9	57.1	14,470	8,704	10,730	9,330	9,370
Finland	230	420	400	340	355	26.5	21.3	25.0	22.6	22.5	6,100	8,966	10,000	7,700	8,000
France	12,560	10,354	11,100	11,300	-	22.8	23.0	35.0	33.7	-	286,505	238,200	388,220	380,850	240,000
Western Germany	2,785	2,283	2,735	2,875	2,830	33.2	29.5	38.9	43.0	45.1	92,400	67,420	106,260	123,570	127,500
Greece	2,172	1,917	2,581	2,570	2,632	14.0	12.9	17.4	17.5	17.8	30,425	24,750	44,800	45,000	46,850
Ireland	225	561	486	360	338	34.2	31.6	37.6	41.4	39.8	7,689	17,746	18,250	14,900	13,440
Italy	12,577	11,742	12,100	12,300	12,300	22.1	19.3	22.1	28.4	25.4	278,366	227,200	267,600	349,260	312,000
Luxembourg	47	32	48	44	38	25.9	25.0	31.2	31.4	34.5	1,215	800	1,500	1,380	1,310
Netherlands	333	262	272	220	212	45.7	42.4	53.6	58.5	54.1	15,217	11,109	14,570	12,870	11,470
Norway	80	91	50	45	51	29.9	29.3	30.2	26.0	38.2	2,391	2,670	1,510	1,170	1,950
Portugal	1,720	1,665	1,925	1,918	-	10.7	8.5	14.9	9.0	-	18,400	14,190	28,710	17,270	20,500
Spain	6/ 11,253	9,640	10,670	10,536	10,625	6/ 14.0	12.1	16.9	14.2	14.6	6/157,986	116,700	180,000	150,000	155,000
Sweden	740	749	1,068	875	982	35.6	31.0	35.1	30.1	33.0	26,351	23,222	37,490	26,350	32,390
Switzerland	183	223	223	236	185	33.1	35.0	49.5	46.0	32.0	6,050	7,800	11,030	10,850	5,920
United Kingdom	1,843	2,148	2,457	1,948	2,282	33.8	36.1	42.3	49.8	43.4	62,361	77,505	103,890	97,030	99,050
Yugoslavia	5,400	-	-	4,700	4,080	18.1	-	-	19.0	16.2	97,700	-	-	89,500	66,200
Estimated total 5/	53,500	47,590	51,980	51,520	47,090	-	-	-	-	-	1,136,000	947,000	1,327,000	1,384,000	1,195,000
Other Europe, estimated total 7/	21,350	18,530	20,590	21,110	20,880	-	-	-	-	-	464,000	318,000	378,000	426,000	380,000
Estimated total, all Europe 5/	74,850	66,120	72,570	72,630	67,970	-	-	-	-	-	1,600,000	1,265,000	1,705,000	1,810,000	1,575,000
U.S.S.R. (Europe and Asia)	104,000	82,200	-	-	-	11.9	10.8	-	-	-	1,240,000	885,000	-	-	-

ASIA															
Iran	8/ 4,191	-	-	-	-	8/ 17.2	-	-	-	-	8/ 72,128	70,791	78,000	85,000	82,500
Iraq	8/ 1,724	1,593	-	-	-	8/ 10.5	9.1	-	-	-	18,114	14,424	27,550	17,390	25,000
Lebanon	9/	166	165	165	165 9/		12.8	12.5	12.2	12.2	9/	2,133	2,060	2,020	2,020
Syria	9/ 1,363	1,998	2,720	2,718	2,718 9/	14.3	9.6	10.8	8.1	11.8	9/ 19,485	19,091	29,390	22,040	32,150
Turkey	8,973	9,436	15,830	17,790	18,530	15.1	13.3	11.4	14.7	11.9	135,690	125,089	180,040	260,880	220,000
China	8/ 47,500	55,200	-	-	-	8/ 16.1	15.9	-	-	-	8/765,000	875,000	-	-	-
Manchuria	2,700	-	-	-	-	13.3	-	-	-	-	36,035	-	-	-	-
India 10/	8/ 25,460	23,312	26,394	27,517	29,225	8/ 10.3	9.1	11.2	11.9	10.7	8/262,100	212,336	294,560	327,710	311,660
Pakistan 10/	8/ 9,305	10,337	10,650	10,660	11,580	8/ 12.6	12.5	12.9	11.1	11.0	8/117,000	129,017	137,500	118,420	126,934
Japan	1,735	1,655	1,660	1,639	1,625	28.8	20.7	33.6	32.9	31.2	49,954	34,325	55,700	53,940	50,630
Korea	832	-	-	-	-	12.3	-	-	-	-	10,240	-	-	-	-
Estimated total 5/	112,500	118,610	136,420	138,310	142,380	-	-	-	-	-	1,575,000	1,600,000	1,860,000	1,885,000	1,860,000
AFRICA															
Algeria	4,185	3,566	4,780	4,940	4,800	8.4	8.4	10.6	9.3	10.6	35,201	29,900	50,810	46,080	51,070
Egypt	1,464	1,618	1,864	1,581	1,630	31.3	26.3	34.1	33.7	34.9	45,849	42,633	63,500	53,330	56,840
French Morocco	3,254	2,621	3,999	3,786	3,661	7.1	8.3	11.6	9.3	10.7	23,128	21,792	46,410	35,070	39,150
Tunisia	1,950	1,907	3,356	1,955	2,345	7.7	6.5	6.8	7.4	7.2	14,962	12,320	22,940	14,520	16,900
Union of South Africa 11/	1,926	2,416	2,857	2,963	-	8.3	6.2	7.7	9.9	-	16,025	15,067	22,050	29,210	31,880
Estimated total 5/	13,880	13,770	18,580	16,990	17,060	-	-	-	-	-	143,000	134,000	221,000	193,000	210,000
SOUTH AMERICA															
Argentina	15,834	11,432	13,500	9,735	-	14.0	16.9	20.9	19.8	-	221,769	193,740	282,560	192,900	220,000
Brazil	414	876	-	-	-	12.0	12.9	-	-	-	4,978	11,283	20,000	27,500	-
Chile	1,963	1,980	1,990	1,925	-	16.1	18.0	19.9	20.0	-	31,562	35,628	39,600	38,500	-
Peru	285	280	410	420	408	11.5	13.6	14.6	14.6	12.6	3,274	3,798	5,970	6,140	5,150
Uruguay	1,210	1,060	1,910	1,982	-	11.0	12.4	16.4	15.4	-	13,256	13,124	31,360	30,560	-
Estimated total 5/	20,490	16,260	19,780	16,510	18,870	-	-	-	-	-	281,000	263,000	387,000	303,000	330,000
OCEANIA															
Australia	13,128	12,662	10,670	10,090	8,000	12.9	14.0	15.8	19.4	16.2	169,744	177,742	168,610	195,600	130,000
New Zealand	221	140	104	73	70	32.3	37.4	39.5	39.7	40.0	7,129	5,241	4,110	2,900	2,800
Total	13,349	12,802	10,774	10,163	8,070	-	-	-	-	-	176,873	182,983	172,720	198,500	132,800
Estimated world total 5/	423,240	406,640	460,730	475,260	482,230	-	-	-	-	-	6,102,000	5,911,000	7,010,000	7,405,000	7,545,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1956 is combined with preliminary forecasts for the Southern Hemisphere harvests which begin late in 1956 and end early in 1957. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Revised estimates for Northern Hemisphere countries, for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Figure for 1935 only. 7/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland and Rumania. 8/ Average of less than 5 years. 9/ Estimates for Syria and Lebanon not shown separately during this period. 10/ Figures for the period shown are not strictly comparable since figures for 1954-1956 include allowances for non-reporting areas, which were not included in earlier figures shown, but were included in estimated total for Asia. 11/ Production on European holdings only.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Agricultural Attaches abroad, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

RYE: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1945-49, annual 1954-56 1/

Continent and country	Acreage 2/					Yield per acre 3/					Production				
	Average					Average					Average				
	1935-39	1945-49	1954	1955	1956 4/	1935-39	1945-49	1954	1955	1956 4/	1935-39	1945-49	1954	1955	1956 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA															
Canada	816	1,192	850	780	557	11.3	11.1	16.7	18.9	15.4	9,191	13,182	14,176	14,754	8,599
United States	3,699	1,810	1,795	2,[illegible]2	1,724	12.1	12.3	14.4	14.2	12.7	44,[illegible]17	22,336	25,935	29,678	21,961
Total	4,515	3,002	2,645	2,372	2,281	-	-	-	-	-	54,108	35,518	40,111	44,432	30,560
EUROPE															
Austria	881	616	539	529	527	23.4	19.9	27.0	31.0	31.2	20,611	12,260	14,550	16,380	16,450
Belgium	401	259	203	182	169	37.4	36.3	47.4	47.5	45.7	15,016	9,410	9,630	8,650	7,730
Denmark	354	379	277	189	271	28.2	34.2	39.4	39.8	40.7	9,973	12,958	10,900	7,520	11,020
Finland	500	376	245	230	240	24.6	21.2	23.5	21.7	22.9	12,300	7,960	5,750	5,000	5,500
France	1,613	1,202	1,001	957	927	18.6	17.2	20.2	18.1	19.4	29,993	20,618	20,235	17,300	18,000
Western Germany	4,080	3,480	3,780	3,643	3,664	29.2	28.4	42.7	37.8	40.1	119,000	98,900	161,330	137,800	147,040
Greece	163	130	154	144	132	13.8	12.8	13.1	15.6	14.2	2,244	1,664	2,010	2,250	1,870
Italy	256	253	220	205	198	21.8	17.9	21.4	24.0	21.2	5,580	4,520	4,700	4,920	4,200
Luxembourg	18	15	14	13	11	25.7	26.3	30.5	30.8	32.7	462	395	427	400	360
Netherlands	560	492	413	380	422	36.4	31.5	48.8	48.2	46.6	20,394	15,520	20,150	18,300	19,650
Norway	13	4	2	2	3	31.2	32.8	29.5	25.0	35.3	405	131	59	50	106
Portugal	620	680	637	637	-	8.9	8.0	11.7	8.2	-	5,500	5,460	7,480	5,200	-
Spain	5/ 1,404	1,553	1,515	1,433	1,433	5/ 13.1	11.0	13.7	13.0	13.7	5/ 18,363	17,117	20,690	19,320	19,680
Sweden	495	363	368	232	305	30.0	28.4	32.2	29.0	34.0	14,828	10,323	11,840	6,730	10,370
Switzerland	38	32	37	37	36	33.2	33.9	48.0	43.0	40.5	1,260	1,084	1,775	1,590	1,457
United Kingdom	17	59	44	19	25	23.9	30.0	35.5	40.0	39.2	406	1,768	1,560	760	980
Yugoslavia	633	-	-	690	620	13.4	-	-	14.9	14.3	8,500	-	-	10,300	8,860
Estimated total 6/	12,050	10,480	10,100	9,580	9,590	-	-	-	-	-	285,000	228,000	301,000	263,000	280,000
Other Europe, estimated total 7/	21,620	17,360	18,690	18,770	18,720	-	-	-	-	-	481,000	337,000	399,000	422,000	390,000
Estimated total all Europe 6/	33,670	27,840	28,790	28,350	28,310	-	-	-	-	-	766,000	565,000	700,000	685,000	670,000
U.S.S.R. (Europe and Asia)	60,300	72,300	-	-	-	14.6	12.4	-	-	-	885,000	895,000	-	-	-
ASIA															
Turkey	939	1,017	1,515	1,584	1,680	15.2	13.5	11.4	16.2	16.1	14,301	13,679	17,320	25,590	27,050
SOUTH AMERICA															
Argentina	1,078	1,601	2,743	2,292	-	9.1	9.3	12.1	11.2	-	9,771	14,944	33,230	25,750	27,560
AFRICA															
Union of South Africa	8/ 117	197	-	-	-	8/ 6.8	4.9	-	-	-	794	973	-	-	-
Estimated world total 6/	101,270	106,210	88,140	83,040	77,110	-	-	-	-	-	1,732,000	1,530,000	1,530,000	1,485,000	1,360,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1956 is combined with preliminary forecasts for the Southern Hemisphere harvests, which begin late in 1956 and end early in 1957. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Revised estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Figure for 1935 only. 6/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 7/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland and Rumania. 8/ Average of less than 5 years.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

The Soviet Union is the principal rye producer of the world, accounting for about half the world outturn in most years. Production this year appears to be somewhat below the 1955 level and sharply below the prewar average. Most of the decline is attributed to reduced acreage.

Wheat production in Asia is estimated at 1,860 million bushels. This high level indicates an increase of about 18 percent over the prewar average. Acreage for the area appears to have increased more proportionately than production. The greatest percentage increase is reported for Turkey, where wheat acreage has more than doubled since the prewar period. Substantial acreage increases are reported for a number of other countries, including India, Pakistan, and Syria.

Rye production in Turkey is now almost double the prewar average. The current estimate of 27 million bushels is a near-record harvest resulting from high yields as well as large acreage. Turkey is the only rye producer of significance in Asia.

In Africa the 1956 wheat harvest is estimated at 210 million bushels, compared with 193 million a year ago and the prewar average of 143 million. Increases are reported for all important producing countries. Rye is of no significance in this area.

The outlook for wheat crops now being harvested in Southern Hemisphere countries, especially in Australia and Argentina, is less favorable than when the world crop was first forecast in September. South America's total wheat crop is now placed at 330 million bushels, 30 million less than the first forecast. The reduction is caused by less favorable prospects in Argentina, the ranking producer of the area. Cool, damp weather in that country contributed to development of fungus diseases and reduced earlier prospects for a bumper crop. Prospects at latest report indicated that the outturn might be average. Rye production in Argentina is estimated at 28 million bushels, compared with 26 million a year ago and the prewar average of 14 million. Argentina normally accounts for more than 95 percent of total rye production in South America.

In Australia the wheat crop is expected to total only about 130 million bushels, approximately a third less than the large crop a year ago and also well below average. Excessive rains over the eastern part of the wheat belt during the fall and winter held up seeding and encouraged weed growth. In contrast with wet conditions in the east, Western Australia's production was reduced by dry conditions during the spring. Though the crop is small, a large carry-over brings supplies to a comparatively high level of at least 130 million bushels above the country's domestic requirements for the year. Rye is of no significance in Australia.